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May 13, 2005

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Federal Communications Commission
Office of Secretary

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
c/o Natek, Inc., Inc.
236 Massachusetts Avenue, N.E.
Suite 110
Washington, DC 20002

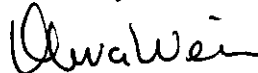
In the Matter of: Lifeline and Link-Up WC Docket No. 03-109

Dear Ms. Dortch:

Please accept this revised version of our comments on the California Public Utilities Commission's Request For An Extension Of Time and use it to replace our earlier filed comments in this matter. Another group has joined on to this filing and that is the only modification from the earlier filed version. We are also replacing our comments filed through the **Electronic Comment Filing System (ECFS)** with this revised version.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Olivia Wein
Staff Attorney
National Consumer Law Center

Enclosure

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

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Federal Communications Commission
Office of Secretary

In the Matter of

Lifeline and Link-Up

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WC Docket No. 03-109

**COMMENTS OF
THE NATIONAL CONSUMER LAW CENTER,
THE UTILITY REFORM NETWORK,
DISABILITY RIGHTS ADVOCATES,
LATINO ISSUES FORUM,
GREENLINING INSTITUTE,
ASIAN LAW CAUCUS,
UTILITY CONSUMERS' ACTION NETWORK,
CONSUMERS UNION, AND
AARP
ON THE CALIFORNIA PUBLIC UTILITIES COMMISSION'S
REQUEST FOR AN EXTENTION OF TIME**

I. INTRODUCTION

The National Consumer Law Center ("NCLC"), The Utility Reform Network ("TURN"), Disability Rights Advocates ("DRA"), Latino Issues Forum ("LIF"), Greenlining Institute ("Greenlining"), Asian Law Caucus ("ALC"), Utility Consumers' Action Network ("UCAN"), Consumers Union and AARP (Collectively "the Consumer Representatives") offer these comments in response to the FCC's April 21, 2005 Notice inviting Comments on the California Public Utilities Commission's request for an extension of time to comply with 47 C.F.R. §§54.409 and 54.415.¹ NCLC, TURN, DRA, LIF and Greenlining are intervenors in the California Public Utilities Commission's ("CPUC") proceeding² to modify the state's Lifeline program, the Universal Lifeline

¹ Request of the California Public Utilities Commission for an Extension of Time, filed March 22, 2005.

² California Utilities Commission Rulemaking 04-12-001 (Filed December 2, 2004).

Telephone Service (ULTS), to comply with the new FCC rules for Lifeline and Link-Up.³ The CPUC's proceeding has a very aggressive timeline to restructure the state's Lifeline/ULTS program in order to comply with the new federal rules. The restructured state program has new eligibility components and a new certification and verification process to be administered by a yet-to-be created Third-Party Administrator. Hammering out the details for implementing the new state program and training all necessary parties will take additional time. The CPUC and interested parties are moving forward expeditiously, but it will be impossible to have the new program up and running by the June 22, 2005 deadline.

The Consumer Representatives strongly urge the FCC to grant CPUC's request for an extension of time to comply with the new rules for the Lifeline/Link-Up program. This extension is necessary so that the existing 3.4 million California Lifeline households are not in jeopardy of losing their federal Lifeline assistance while the new California Lifeline program is being rolled out. Because the CPUC is well on its way to developing the new processes and procedures for its ULTS program, the Consumer Representatives believe that there will be no disadvantage posed to other interested parties by granting this request.

II. INTEREST OF THE COMMENTING PARTIES

NCLC is a non-profit corporation organized under the laws of the Commonwealth of Massachusetts in 1971. Its purposes include representing the interest of low-income people and enhancing the rights of consumers. Throughout its history, NCLC has worked to make utility services (telephone, gas, electricity, and water) more affordable and accessible to low-income households.

TURN is a nonprofit consumer advocacy organization with 20,000 members throughout California. TURN has a thirty year history of representing the interests of residential and small

³ *Lifeline and Link-Up Report and Order and Further Notice of Proposed Rulemaking*, WC Docket No. 03-109, FCC 04-87 (rel. April 29, 2004).

business consumers before the California Public Utilities Commission on telecommunications, energy and natural gas matters. Over the years, TURN has been an active participant in the CPUC's processes to develop its state ULTS program.

DRA is a non-profit law center dedicated to protecting the rights of people with disabilities and ensuring dignity, equality and opportunity for people with all types of disabilities in all key areas of life. DRA is committed to assisting people with disabilities in living independently. In order to achieve independence, people with disabilities, who are disproportionately low income, rely on telephone communications and are thus directly impacted by the availability of subsidy programs for this essential utility service.

LIF is a statewide public policy organization dedicated to advancing equitable and innovative solutions in a number of policy areas. LIF has a long history of advocacy in consumer telecommunications issues and has consistently sought to protect the interests of low-income and language minority consumers.

The Greenlining Institute is a multi-ethnic public policy center that represents minority, low-income, inner city, and other vulnerable and underserved communities in California. These communities have little to no disposable income and will be deeply affected by any changes made to the ULTS eligibility, certification, and verification processes. Greenlining has been representing underserved communities before the CPUC since 1971 and, during that time, has been actively involved in the development of the CPUC's ULTS program.

The ALC is committed to the pursuit of equality and justice for all sectors of our society with a specific focus directed toward addressing the needs of low-income Asian and

Pacific Islanders. Founded in 1972, ALC is the nation's first organization dedicated to defending the civil rights of Asian Pacific Islander Americans. ALC serves over 1,000 low income clients per year throughout Northern California. ALC represents clients in housing, immigration, employment, hate crimes, and consumer matters. ALC has extensive experience in addressing and resolving telecom complaints of numerous individual clients.

UCAN is a San Diego-based non-profit advocacy and educational organization founded in 1983. UCAN is active in energy and telecommunications regulatory proceedings, representing the interests of residential and small business utility consumers in San Diego County and throughout the State of California before the CPUC and the FCC.

Consumers Union is a nonprofit membership organization chartered in 1936 under the laws of the state of New York to Provide consumers with information, education and counsel about goods, services, health and personal finance, and to initiate and cooperate with individual and group efforts to maintain and enhance the quality of life for consumers. Consumers Union's income is solely derived from the sale of Consumer Reports, its other publications and from noncommercial contributions, grants and fees. In addition to reports on Consumers Union's own product testing, Consumer Reports with more than 4 million paid circulation, regularly, carries articles on health, product safety, marketplace economics and legislative, judicial and regulatory actions which affect consumer welfare. Consumers Union's publications carry no advertising and receive no commercial support.

AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

III. THE CONSUMER REPRESENTATIVES SUPPORT THE CALIFORNIA PUBLIC UTILITY COMMISSION'S REQUEST FOR AN EXTENSION OF TIME

The Consumer Representatives are very concerned about preserving federal Lifeline enrollment and assistance for the current 3.4 million California Lifeline customers during the transition to the new ULTS program. As noted above, the CPUC is in the midst of a proceeding⁴ to modify California's ULTS program so that it is in compliance with the requirements of the recent FCC's Lifeline/Link-Up order.⁵ On April 7, 2005, the CPUC adopted a new ULTS certification and verification process as required in the FCC's order.⁶

The CPUC has substantially modified its ULTS program. First, to comply with the FCC's rules, it has added an income documentation requirement. Second, in an effort to facilitate participation in the state's ULTS program, the CPUC's April decision adopted program-based eligibility as another basis for low-income households to qualify for ULTS service.⁷ Third, the new ULTS program will use a Third-Party Administrator, under direction of the CPUC, to process the certification and verification documentation for enrollment and ongoing participation in the ULTS program.

⁴ California Utilities Commission Rulemaking 04-12-001 (Filed December 2, 2004).

⁵ *Lifeline and Link-Up Report and Order and Further Notice of Proposed Rulemaking*, WC Docket No. 03-109, FCC 04-87 (rel. April 29, 2004).

⁶ *Decision Adopting New Universal Lifeline Telephone Service Certification and Verification Process*, R. 04-12-001, CPUC Decision 05-04-026 (Adopted April 7, 2005).

⁷ The qualifying programs largely mirror the FCC's default state program-based eligibility: Medicaid, Food Stamps, Supplemental Security Income, Federal Public Housing Assistance (Section 8); Low Income Home Energy Assistance Program; National School Lunch's free lunch program; Tribal TANF; Bureau of Indian Affairs General Assistance; Tribal NSL; Tribal Head Start and two additional programs Healthy Families Category A and Women, Infants and Children. See *Decision Adopting New Universal Lifeline Telephone Service Certification and Verification Process*, R. 04-12-001, CPUC Decision 05-04-026 (Adopted April 7, 2005).

The CPUC found that there are administrative benefits to having a Third-Party Administrator: standardized document review, the ability of ULTS customers to move within the state and not have to reapply, and an increased capability (over having carriers handle certification and verification) of ensuring privacy and security of customer data.⁸ However, as the CPUC pointed out in its Request, there are still implementation details that are in the process of being worked out in order to send out an RFP for a Third-Party Administrator. This RFP merely starts the process the CPUC will have to follow under state contracting guidelines.

The CPUC has already held two workshops to obtain input on what provisions should be included in the RFP for a Third-Party Administrator.⁹ The switch from having carriers handle ULTS enrollment to using a Third-Party Administrator will require carriers to reconfigure their customer account computer programs in order to allow ongoing coordination with a new central ULTS database to be administered by the Third-Party Administrator. The CPUC is also in the midst of developing the procedures for: the maintenance of the central database and how carriers exchange information with the Third-Party Administrator; how the Third-Party Administrator will process the certification and verification of ULTS applicants' forms and documentation; and storage and privacy protections concerning ULTS applicants' personal information. The implementation steps also include ensuring that materials for the public are accessible to all low-income consumers including those with disabilities and non-English speakers; trainings on these new procedures


⁸ *Decision Adopting New Universal Lifeline Telephone Service Certification and Verification Process*, R. 04-12-001, CPUC Decision 05-04-026 (Adopted April 7, 2005), Findings of Fact 18-20, page 45.

⁹ The first workshop was on April 20, 2005 – April 21, 2005. The second workshop was on May 4, 2005.

and protocols for carriers' employees, the CPUC, and groups involved in the outreach for Lifeline. All this will be impossible to achieve by the looming June 22, 2005 deadline.

The CPUC and interested parties have been working together to design and implement a state Lifeline program that complies with the new FCC Lifeline rules and still provides a crucial public benefit to California. The California ULTS program is about to undergo a large-scale overhaul with the new policy provisions adopted in the April 7, 2005 decision. There is simply no way to prudently move any faster than the aggressive implementation timeline already set out by the CPUC. Without an approval of the CPUC's extension request, 3.4 million current California Lifeline customers will be at risk of losing the federal component of their Lifeline assistance. Therefore, the Consumer Representatives strongly urge the FCC to approve the CPUC's request for an extension.

Respectfully Submitted,



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